
GMR Hyderabad Airport pushes back breakeven date to 2020

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The economic downturn and lower than expected revenue collections have made GMR Hyderabad International Airport Ltd which operates the Hyderabad international airport stretch its projected breakeven schedule of 2014 by another six years.

GHIAL a GMR group company, which built the Rajiv Gandhi International airport at Shamshabad on the outskirts of Hyderabad at a cost of INR 2500 crore, now expects to break even only by 2020.

Mr P Sripathy CEO of GHIAL said that “We think the breakeven should happen some time during 2020. But things could change and we are hoping for the best.”

The airport has registered a growth in passenger flow in the last two months although this was below the expected levels. Last month, the airport notched up an overall traffic growth of about 17% compared with that achieved in the corresponding month of last year. Compared with September the growth was 11%.

Mr Sripathy said that “This growth does not really mirror the trends in revenues. Even otherwise, we are lagging behind other domestic airports such as Delhi, Mumbai, Chennai and Bangalore in terms of traffic. Either we are average or below average compared to these airports.”

(Sourced from Business Line)

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